



Department of State

TELEGRAM

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ACTION EB-11

INFO OCT-01 AF-10 NEA-10 ADP-00 PM-07 NSC-10 SS-15 RSC-01

L-03 H-03 PRS-01 CIAE-00 INR-10 NSAE-00 CIEP-02

SCEN-02 TRSE-00 OMB-01 INT-08 COME-00 RSR-01 SSO-00

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P R 261100Z AUG 73

FM AMEMBASSY TRIPOLI

TO SECSTATE WASHDC PRIORITY 0449

INFO USINT CAIRO

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E.O. 11652: GDS

TAGS: ENRG LY

SUBJECT: LIBYAN OIL SITUATION

REF: STATE 148661

DEPARTMENT OF STATE A/CDC/MR

REVIEWED BY 07 DATE 12/20/62

RDS ☐ or XDS ☐ EXT. DATE

TS AUTH. REASON(S)

ENDORSE EXISTING MARKINGS ☒

DECLASSIFIED ☐ RELEASABLE ☐

RELEASE DENIED ☒ IN PART

PA or FOI EXEMPTIONS EX 1, 2, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100

1. PER REFTL, EMBASSY DELIVERED NOTE TO MFA DUTY OFFICER EARLY EVENING AUGUST 24 AND HE PROMISED TO BRING IT IMMEDIATELY TO ATTENTION OF ACTING U/S.

2. AUGUST 25 PASSED WITHOUT ANY LARG ANNOUNCEMENT ON OIL SITUATION OR CALL FOR COMPANY NEGOTIATORS TO COME IN. AS OF MORNING AUGUST 26 NEGOTIATORS WERE PLANNING LEAVE LIBYA AFTER MEETING WITH MABRUK AT THEIR REQUEST.

(COMMENT: WE FIND IT HARD TO BELIEVE IT WILL NOT BE TAKEN AS SOMETHING OF A THREAT, BRINGING INTO PLAY ONE OF COMPANIES' VERY FEW REMAINING CARDS.)

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3. WHILE PASSAGE OF AUGUST 25 LARG DEADLINE IS IN ITSELF ENCOURAGING, FACT IS THAT IN ABSENCE OF HARD INFO ON LARG MOTIVES IT PROVIDES NOTHING REGARDING THE FUTURE. POSSIBLE FOR INSTANCE THAT LIBYAN RELATIONS WITH EGYPT ECLIPSED OIL SITUATION AS RCC PRIORITY. (AFTER REPORTS THAT SADAT WAS IN SAUDI ARABIA AND WAS RETURNING TO CAIRO AUGUST 25, QADHAFI AND JALLUD SUDDENLY ENPLANED FOR CAIRO THAT EVENING. WE DOUBT THEY WENT THERE TO GET SADAT'S ADVICE ON HANDLING THE MAJORS. MORE LIKELY THEY SEEKING A SHOWDOWN ON QUESTIONS OF UNITY AND SADAT'S RELATIONS WITH KING FAISAL.)

4. AS PERHAPS WE SHOULD HAVE MADE EXPLICIT BEFORE NOW, LOCAL MEDIA HAVE OBSERVED SILENCE ON LARG DEMANDS ON MAJORS INCLUDING ANY DEADLINE FOR ACCEPTANCE. HOWEVER, AUGUST 24 AND 25 BBC COMMENTARIES STATED A "HIGH OFFICIAL" IN WASHINGTON REVEALED THE ESSENCE OF THE DEMANDS AND SPECIFICALLY THE DEADLINE. IT IS NOT CLEAR HOW THIS COULD HAVE HELPED THE COMPANIES OR THE USG VOID THE DEADLINE.

5. FROM NOW ON SUGGEST THAT WE TOO OBSERVE SILENCE WITH THE PRESS ON THE DELICATE OIL SITUATION HERE. SPECIFICALLY, BELIEVE IT WOULD BE MISTAKE FOR USG OR COMPANIES TO THINK LARG COULD BE INFLUENCED FAVORABLY BY PUBLICITY TO OUR NOTE OF AUGUST 24, OR TO ANY IMPLICATION THAT IT HAD DETERRENT EFFECT ON THE DEADLINE THAT HAS JUST PASSED. QUITE THE CONTRARY.

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